



Workforce Investment Act Policy
Workforce & Career Development Division

Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, the Workforce & Career Development Division sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information notices, and technical assistance.

Policy Number: 3655 Revision 2
To: Washington WorkSource System
Date of Publication: July 1, 2013
Subject: Individual Training Accounts

1. Purpose:

This policy provides guidance to Workforce Development Councils (WDCs) on Individual Training Accounts (ITAs) for training services provided under the Workforce Investment Act (WIA) Title I-B for adults and dislocated workers.

2. Background:

WIA Title I-B training services for adults and dislocated workers are provided through ITAs.

Using ITA funds, WIA Title I-B adults and dislocated workers purchase training services from eligible training providers they select in consultation with an employment counselor. Individuals are expected to utilize information that is provided (e.g., skills assessment, labor market conditions/trends and training vendor performance) to take an active role in managing their employment future through the use of ITAs. Individuals are expected to make a self-informed choice about their own employment future and the training services needed.

3. Policy:

All WDCs must have a local ITA policy for adults and dislocated workers receiving WIA Title I-B training services.

a. Guidelines and Considerations for Local Policy Development

Guidelines:

- An ITA award could fund prerequisite training to a vocational training program if it is required by the educational institution.

- Once an individual is awarded an ITA, a time limit can be established to regulate when the registrant must be enrolled in training.
- Limitations can be established to regulate the number of times an individual may modify their ITA.
- When a program of training is removed from the state Eligible Training Provider List (ETPL), WIA participants in that program can complete their training (see [Policy 3635](#)). An ITA should not be modified or extended for a participant beyond the original plan approval as it relates to a program of training that is no longer on the ETPL.
- In order to fully obligate funds set-aside in support of ITAs awarded, WDCs can:
 - In accordance with procurement guidelines, contract all ITA funds with a brokering agency who would be responsible for ITA payments; or
 - Write a Purchase Order (PO) or Voucher for each individual identified to receive an ITA award. The PO or Voucher should document a three-way commitment between the individual, the service provider, and the training institution. As a three-way contract, this PO or Voucher could obligate funds for the Program Year (PY). If additional ITA funds are required beyond the PY (two-year cycle) and are needed by the individual in order to complete his/her training plan, a new PO or Voucher could be awarded at the beginning of the next PY. While ITA funds would be obligated through this PO or Voucher process, local areas would have the flexibility to decide when to bill actual expenditures with the training provider. This PO or Voucher system would have to address deobligations as individuals receive additional resources and/or leave the training program prior to completion.
- WDCs may want to require that an individual must be making satisfactory progress in training to access all payments of their ITA. If satisfactory progress is used to authorize all ITA payments, "satisfactory progress" should be defined by local WDC policy. The Washington State Unemployment Insurance Training Benefits Program has specific criteria for determining satisfactory progress for claimants ([WAC 192-270-065](#)) that may serve as a helpful example.
- WIA regulations allow local WDCs to impose limits on the dollar amount and/or duration for ITAs (20 CFR 663.420 (a) and (b)). There may be a limit for an individual participant that is based on the needs identified in the individual employment plan (IEP); or there may be a policy decision by the WDC to establish a range of amounts and/or a maximum amount applicable to all ITAs.
- Limitations established by WDC policies should maximize, not undermine, customer choice in the selection of an eligible training provider. ITA policies may provide for exceptions to the limitations in individual cases, i.e., individuals with physical or sensory disabilities who may need their duration of training extended beyond the duration limit established by the WDC.
- Mechanisms other than ITAs may be used to provide training services that do not rise to the level of occupational skills training, including intensive and short-term prevocational services. WIA Sections 134(d)(3)(C) and 134(d)(3)(C)(vi) describe these services. Intensive services may include literacy, internship, work experience and other training activities that may not provide formal occupational skills training or be appropriate for an ITA. Similarly, short-term prevocational services are designed to prepare a participant for work but do not provide formal occupational skills training. As such, they generally are not appropriate for an ITA. 20 CFR 663.430(a) provides additional guidance regarding exceptions to the use of ITAs.

Procedural Considerations:

- In order to ensure that an individual fully utilizes his/her ITA, WDCs may want to offer an explanation on how the local system operates, including applicable dollar limits, the individual's responsibilities, and the available choices.
- WDCs may want to consider providing quarterly statements to individuals enrolled in approved training and awarded an ITA. The statements would report the amount of funds that have been accessed from the ITA award and identify the amount of funds remaining.
WDCs should coordinate modifications of ITAs and IEPs with the appropriate case manager. An individual may select training that costs more than the maximum amount available for ITAs (based on locally established limits) when other sources of funds (e.g., Pell Grants, scholarships, severance pay, etc.) are available to supplement the ITA (20 CFR 663.420(d)).

b. Coordination of WIA Training Funds and other Federal Assistance

Local areas must consider the availability of other sources of grants, excluding loans, to pay for training costs so that WIA funds are used to supplement but not supplant other sources. WIA funds are intended to provide training services in instances when there is no grant assistance (or insufficient assistance) from other sources (i.e. Welfare-to-Work, Title IV Programs and state-funded grants) to pay for those costs (20 CFR 663.320). The use of WIA funds to pay down a loan of an otherwise eligible participant is prohibited; however, the mere existence of a federal loan must not impact eligibility determinations.

c. Local Policy Requirements

The local ITA policy must address the following components:

- How ITAs will be obligated and authorized;
- Dollar and/or duration limit(s) for ITAs, if any;
- The number of times an individual may modify their ITA, if limited;
- Parameters for "short-term prevocational services" under WIA Sec. 134(d)(3)(C)(vi), including, but not limited to, duration limitations; and
- Other local policy decisions based on the guidance in this policy.

4. References:

- WIA Section 134(d)(4)(G)
- 20 CFR 652 et al.
- 20 CFR 663.400; 663.410; 663.420; 663.430; 663.440
- WAC Chapter 192-270, Training Benefits for Dislocated Workers
- [ETP Policy #3635](#)
- [Washington State Unemployment Insurance Training Benefits Program](#)

5. Supersedes:

WIA Policy 3655 Revision 1, Individual Training Accounts (ITAs).

6. Website:

<http://www.wa.gov/esd/policies/title1b.htm>

7. Action:

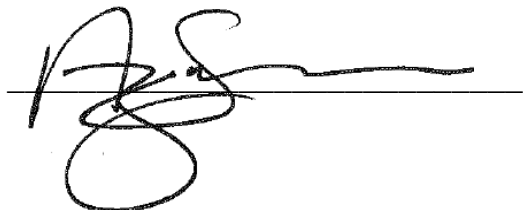
WDCs and their contractors, as well as Employment Security Area Directors, must distribute this guidance broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

This second policy revision creates additional flexibility for consideration by WDCs regarding the definition of “short-term prevocational services.” Local policy must include parameters for “short-term prevocational services.” WDCs should review and modify local policies and existing definitions, as appropriate, to reflect any local decisions resulting from this policy revision.

Direct Inquiries To:

*Workforce and Career Development
Employment Security Department
PO Box 9046
Olympia, WA 98507
(360)407-1300
WCDDPolicy@esd.wa.gov*

Approved:

A handwritten signature in black ink, appearing to be 'AS', written over a horizontal line.

Amy Smith, Director of Policy, Program Administration & Technical Assistance